

Mr. KERRY. Mr. President, I do not want my vote for final passage of H.R. 927, the Cuban Liberty and Democratic Solidarity Act to be misunderstood. I was strongly opposed to the centerpiece of the legislation—title III. This title would have altered 45 years of international and domestic law and practice with respect to the resolution of claims resulting from the expropriation of U.S. property abroad. I supported efforts to ensure that that title was deleted from the bill.

I will oppose any conference report that restores this title or adds draconian provisions. I will join with my colleagues in utilizing all parliamentary procedures to ensure that a conference report containing what was title III is not enacted into law.

#### MORNING BUSINESS

Mr. COCHRAN. Mr. President, I ask, at the request of the Republican leader, unanimous consent that there now be a period for the transaction of routine morning business during which Senators may speak for up to 10 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

#### THE BUDGET RECONCILIATION

Mr. COCHRAN. Mr. President, I was just looking at a letter that was given to me by the chairman of the Budget Committee, the Honorable Senator from New Mexico [Mr. DOMENICI], advising that the Congressional Budget Office has had an opportunity to review the budget reconciliation package that has been assembled and will be presented to the Senate, we assume during next week. The good news is that the Congressional Budget Office's analysis of the bill as assembled at this point, assuming that the tax bill being reported in the Finance Committee is within the budget reconciliation targets, not only will achieve a balanced budget by the year 2002 but will actually result in a small surplus.

The letter from the Director of the Congressional Budget Office goes into more detail with the analysis that she and her staff have made of this reconciliation package. But I hope that between now and next week, when the Senate will have an opportunity to take up and debate the reconciliation bill, Senators will review these documents and the analysis that has been done, because this is the centerpiece of the effort to achieve the balanced budget by the target that was set in the budget resolution that has passed both Houses and is reflected in the conference report that earlier passed the Congress.

This is the centerpiece, this is the heart and soul of the effort to achieve a balanced budget. And we are about to embark upon a very historic debate for the first time in anybody's memory on a plan to actually achieve an annual operating budget that is in balance,

that changes entitlement programs as well as the appropriated bills that have passed the Congress which is about to take place. I hope that we will have an opportunity as we approach that period to talk about some of the changes that we foresee and the resulting influence that it is going to have for good on the fiscal policies of the country, as well as the effect on interest rates, the effect on the general overall economic environment for job creation and business activity, which will be positive and continue to move us in the right direction in terms of economic growth and economic well-being as a nation.

But I congratulate the distinguished chairman of the Budget Committee, Senator DOMENICI, for his good work and his strong leadership in bringing us to this point. We look forward to the debate on the resolution.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from North Dakota.

#### RECONCILIATION LEGISLATION

Mr. DORGAN. Thank you, Mr. President. It is a timely opportunity to take the floor to follow my friend from Mississippi.

My friend from Mississippi was quoting from a letter dated October 18 from the CBO signed by Director June O'Neill. It is a letter that says that based on those estimates—referring to estimates in the letter—using the economic and technical assumptions underlying the budget resolution and assuming—this is the way economists talk—the level of discretionary spending specified in that resolution, the CBO projects that enactment of the reconciliation legislation submitted to the Budget Committee would produce a small budget surplus in the year 2002.

The Senator is quite correct about what this letter said. That is dated yesterday.

Let me, however, read a letter dated today signed by the same person, the Director of the Congressional Budget Office, June O'Neill. This is in response to a letter that Senator CONRAD and I wrote to her yesterday saying:

This is a curious letter you have sent to Congress, saying it is going to produce a surplus. Would you please tell us what the impact of the reconciliation bill will be on this country's fiscal policy? In other words, what kind of surplus or deficit will we have if you follow the law that exists in this country, in fact, the law written by the Senator from South Carolina, Senator Hollings, that says you cannot use Social Security trust funds as revenues to balance the budget?

So we sent the letter to Director O'Neill of the Congressional Budget Office, and here is the letter we received today from the Congressional Budget Office, this afternoon. The letter says in the first paragraph—the same kind of language from economists—"Excluding an estimated off-budget surplus of \$108 billion"—translated, it means by and large excluding the Social Security trust fund surplus in 2001 from the cal-

culuation—"the CBO would project an on-budget deficit of \$98 billion in the year 2002."

Now, I have an 8-year-old son who, when we last went to Toys 'R Us, was fascinated by vanishing ink. We passed this little thing. They sell vanishing ink. He said, "Daddy, how do they do that?" I said

I do not really know. I know it is simple. It does not cost very much. We could buy it and take it home. But I do not know how they do vanishing ink.

I could tell my son that we do not have to stop at Toys 'R Us. We have folks who have Ph.D.'s that know how to deal with vanishing ink.

Here we have an October 18 letter that says: "You Republicans have asked me, an appointee of the Republicans, how has our plan fared in your eyes?" And you said, "Well, we think you are doing real good. In fact, you have produced a surplus."

We sent a letter to the same person who said:

But if you do this the right way, if you calculate this the right way and do not take the Social Security trust funds, because you cannot misuse those, those are Social Security trust funds, do not bring them over here in the operating budget, that that is the way you do it, that is the way the law requires that you do it.

Then what happens is the same person 1 day later says, "By the way, in the year 2002 there is not a balanced budget. There is a \$98 billion deficit."

Mr. BUMPERS. Will the Senator yield for a question?

Mr. DORGAN. I would be happy to yield.

Mr. BUMPERS. The thing even more perplexing on the point which the Senator from North Dakota raises is this. This is the conference report of the budget bill. Let me read it. It says:

Section 205 of the conference agreement requires the chairman of the Budget Committee to submit the committee's responses to the first reconciliation instruction to the Congressional Budget Office.

So the committee has to send all of these things to the Congressional Budget Office.

Next sentence, if the Congressional Budget Office "certifies"—this is the operative word—if the Congressional Budget Office certifies that these legislative recommendations will reduce spending by an amount that will lead to a balanced budget by the year 2002, the second reconciliation instruction is triggered.

If you read the letter from the Congressional Budget Office, she does not certify anything; she projects a balanced budget.

Mr. DORGAN. Only yesterday. Today, there is a deficit.

Mr. BUMPERS. But the point is, certification is a certification. You look in the dictionary. It says: "certifies: to be accurate." I could project a balanced budget. But certification and projection are two entirely different words.